

LS 6-1890

OGC Has Reviewed

20 September 1956

MEMORANDUM FOR THE RECORD

SUBJECT: Medical Benefits for Dependents

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1. On 19 September [] and I met with Lyle Fisher, General Counsel to the Comptroller General. I explained to Mr. Fisher the difficulties we experienced in staffing unhealthy posts due to illness of dependents of employees and the hardship which the cost of such illness imposed on the employees. I gave the history of our proposed legislation, the Bureau of the Budget's proposed Administration bill for all overseas Government employees, and the legislation which had been passed for the Department of State. I said that since the State bill gave clear evidence of the present intent of Congress I wanted to recommend to the Director that we could authorize similar benefits without waiting for our legislation.

2. We discussed the Comptroller's basic philosophy that our special authorities were not intended to solve administrative difficulties common to other Government agencies and the related circumstance that our conditions of service were more nearly like those of State than any other agency. Mr. Fisher said that in his opinion legislation was the correct solution to our problem and that under the circumstances he would have no objection if the Director wished to approve medical benefits for dependents to be paid out of confidential funds. I pointed out that we did not wish to discriminate in any way against people on the vouchered pay roll and that normally all payments to such people were vouchered. Mr. Fisher said he understood this but in order to avoid raising any legal question with his office he believed we should use the confidential funds for payments to these employees also. Mr. Fisher said he felt this was an interim solution and we should pursue our legislation in the next session of the Congress.

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LAWRENCE R. HOUSTON
General Counsel

cc: IG *John Leg*
Comptroller

OGC/LRH:jeb:mks

✓ OGC Subject

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